

Present: Tom Busa, Richard Bowen, Stephen Carluccio, Karen Dunn, Steve Steele, Elizabeth McClung, David Powell, Ben Thomas, Paul Mortenson (8:25)

CPC

Robin Steele

Handouts:

- Plan has been updated, all done since start of CPC
- Special Town Meeting changes and CPC 6-year plan
- Expected 29% match from state, now likely closer to 20% match
- So some changes were made.
- Undesignated (carryover)
- Bike path project 53K in balance, only need 20K, released the rest to undesignated
- Bonding MEP not started on time so bond payment
- Bond payments meet open space, historic preservation requirements
- Affordable housing is the only one that needed to be readjusted for the income changes
- Continue with 3% surcharge unanimously voted for this
- Museum is looking to do a study,
- That's not CPC eligible
- Concerned that so much is committed to bonding payments
- Tom Busa: might not otherwise rank high enough in Cap Ex to get funding
- Maybe 600-800K left over for projects in the spring
- More participants (communities) leads to lower match rate
- What is bonded is what the CPC decided to bond, and FinCom doesn't make those decisions
- 1.1M in affordable housing
- 850K historic preservation
- FinCom recommended to leave funds undesignated, but CPC wanted to build up a fund for these areas.
- Downside to bonding locks the town into the surcharge
- With 3% you get a slightly higher match from the state
- Bonding: projects aren't subject to the same scrutiny as the capital plan
- Other past projects not completely spent?
- Some are ongoing still
- CPC is trying to coordinate with Cap Ex more

Assessors

Alan Ferguson, Ron Cordes

- Prospective increases in tax levy
- 1M in tax levy from new commercial personal property, second year of canvassing in town, previously undiscovered property
- Effort DOR in governor's office: personal property tax may be eliminated, or converted to corporate excise
- Extreme revenue growth won't likely continue after this year
IF the tax is eliminated, then the 2.5% might mean higher property tax

2015 3.6 M billed last year

2014 2.6 M billed

2013 2.9M

2012 2.8 M

- What if the property is moved (across town lines)?
- Levy capacity stays the same, but the revenue goes away
- 2/3 of our growth is coming from personal property this year.
- Residential and commercial new growth currently hasn't subtracted out the "old" value from the "new improved" valuation
- Helpful to have the estimates come in closer to actual: large amount of free cash isn't preferred
- Partly due to new evaluation of personal property, have tried to be conservative about revenue (prefer low to high), last year was an aberration and everyone was surprised, spikes in the past due to new company coming into town
- Are you linked in to Planning, what's coming up?
- Estimates are based on permits
- Permits sometimes are drawn and not acted on, or can take a lot of time
- Not seeing much growth in commercial/industrial or residential
- Tear-downs, and reconstruction,
- More concern about non-conforming properties: more conservative thought.. now need a special permit
- Planning board plans to be more restrictive

Overlay

- Reserve against abatements, about 3M
- We have a number of court cases out there, risk between 1.1M and 850, 5.7M at risk out there, in the courts. Our 1.903M is our estimate. State law says you cannot pay interest out of the overlay reserve. Have declared overlay surplus equal to the interest, that money goes into free cash, then FinCom allocates money to pay the interest.. The key is not the surplus but rather the surplus plus interest.

- Victor 50K is set aside to pay interest in the budget every year
- Not every settlement includes interest
- Trying to get a bill to knock out the 8% : some companies don't want to settle because they make 8% on the money
- 1.17M and 850K in surplus
- Telecoms think they should be charged at a residential rate
- Our list does not have all exposure on it.
- Found out because there was an offer to settle, they were not on our list.
- ATB record keeping is awful. Get cases for New Bedford, or Medford, etc.
- Our info isn't reliable enough, don't have complete listing.
- Want more time to figure if there's a surplus
- A couple of months, the first of the year
- Looking at 900K for this year
- Are we tying up money that we don't need to since if we go over it can be addressed in the following cycle?
- We would not like to "kick the can down the road"
- Private pockets of money make it harder for us to address the needs of the town.
- Final number will not be this number: is reduced by 10% for charges against the new construction, confident that the number is the floor
- Overlay is a large number. 40% sounds huge.
- Threat on the tax rate: there's no half way.
- For FY17 want to reduce overlay reserve to 900K
- 950K is the FY16. Is that correct? will get back to the FinCom in two weeks.
- After Jan1 can report on the status of some of the cases.

Model:

- Change new growth to 1532847
- Increased stabilization fund
- \$554,651 is new surplus number
- Richard Bowen: Perhaps rescind the bonding authority for the phone project and use the cash for that?
- Phone system is being designed. installation if town wide fiber optic

Warrant:

Article 1

Motion: recommend approval

Richard Bowen

Second: Tom Busa

9-0 Steve Steele presents

Article 2

Motion: recommendation at town meeting

Richard Bowen

Second: Tom Busa

9-0 David Powell presents

Articles 3 and 4 and 5

Motion: Motion: Richard Bowen

Recommendation at town meeting

Second: Tom Busa

9-0 David Powell presents

Article 6

Motion: recommendation at town meeting

Richard Bowen

Second: Tom Busa

9-0 Paul Mortenson presents

Article 7

Motion: recommend approval

Richard Bowen

Second: David Powell

8-1-0 Steve Carluccio presents

Article 8

Motion: recommend approval

Richard Bowen

Second: Tom Busa

9-0-0

Article 9

Article 10

Motion: recommendation at town meeting

Richard Bowen

Second: Tom Busa

9-0 Steve Steele presents

Article 11

Motion: recommendation at town meeting

Richard Bowen

Second: Tom Busa

9-0 Steve Steele

Article 12

Motion: recommend approval

Richard Bowen

Second: Tom Busa

9-0 Steve Steele

Schools

Jon Sills

- Time frame for "go it alone" is so tight they don't recommend it
- Repurpose feasibility study money to put for a feasibility and schematic design for Lane
- Keeps the option alive without having to commit until after seeing results of feasibility study.
- 4000 sq. ft. for 4 classrooms.
- But now try to fix some other problems, 5000 sq. ft.
- Factored in 4% inflation cost depending on the year
- Potential of selling modulars in the end
- May need the modular space in the end, or elsewhere
- 297K is the cost of the modulars, the balance of 500K is the hook-up
- MSBA might fund it because it's small, but did 17 of 95 projects this year
- They assess acuity of need
- What are class sizes with and without this project? We want to see the data.
- Decision would be made in December
- Does re-appropriating money for the feasibility study put this in jeopardy?
- No
- 270 day period between when they approve and when you can go to town for money
- Would you need 2 feasibility studies?
- If they get approved, the re-appropriation would be returned to the town, then a new vote would be taken
- What capital improvements to Lane School would be needed over the next several years?
- This does not trigger any code changes, but we would have to do a new fire alarm system.
- Are there other pieces you need?
- What costs can you avoid by doing this project? Do all the projects at once... Include the repairs through the MSBA. Can the heating system support 3 more classrooms?

- In the 6 year capital plan you can see what wouldn't be done if the addition is done. Roof, plumbing, boiler, electrical all OK. ADA compliant.
- Let's look at the 5-years from now window to see what would be needed.
- Jon: More work needed to see what else should be included.
- Will try to add to the warrant.
- Jon: will ask MSBA if this will undermine our chances
- Victor: must know by Monday
- What will we be losing giving up that feasibility study money?
- Originally was going to be multiple schools, but now this will go just to Lane.
- Delay in construction means modulars anyway
- Be honest with deadlines, with costs, don't underestimate timelines
- Other options within town?
- As an educator: they're pretty limited
- 6 classrooms at Kids' Club, lots of issues (gym, food, etc.)
- Redistricting? will look at different scenarios
- This changes the money from two feasibility studies (Davis and Lane) into one feasibility/ schematic design for Lane. Would need a separate Davis feasibility/ schematic design in the future.
- In trying to accelerate the project it might demand too much attention to get it done.
- Make a realistic plan. Might preclude option 1.

Next Meetings

- Trying to get rec revolving earlier?
- Maybe Nov.12
- Should start modeling prior to STM
- Start it Oct 22
- Put Rec under Nov 12
- Where is the fund guidelines meeting?
- Schools are working on it.
- Want explanations of funds with balances by November 5. send an email (Victor)
- How much money they propose should be left in a fund from year to year.
- Building plan 15 year improvement plan from Facilities
- Rec has no money, no control over anything. Selectmen have control over that. Need to know why Selectmen won't do anything about that money. Conflicting info coming from all these groups. Some say they aren't getting help. Buck stops with selectmen and Rick. If nothing is done, should appropriate 100% of the fund, deduct from the Selectmen's budget and put it in something else.
- Selectmen, Schools, and Library have funds
- Tell Selectmen that we're serious about this, not kidding, will do something about it.
- Bill: is there a current list of funds? Yes, needs to be put in an Excel format

- Went to GIC, had to hold back money...
- It's the health insurance trust. Getting legal opinion. That has to be used to reimburse retirees 50% of it. Use the rest to offset OPEB. About 600K in the account.
- Final presentation to Cap Ex is early December
- Should phone system be bonded or paid in cash?
- Leave surplus for the week.
- Planning: 10 developments in the works
- There's a petitioner's article, on zoning amendment for former school property
- Page Place wants to expand, to sell more units, put in garage, want to amend zoning article
- Industrial zoning had been deferred, with one-step adjustment coming to annual town meeting

Motion:

Adjourn Ben Thomas

Second: Paul Mortenson

9-0

10:50